

AFRL

THE AIR FORCE RESEARCH LABORATORY
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AIR FORCE PERSONNEL DEMONSTRATION PROJECT 16TH CYCLE RESULTS 2013



Lab Demo Project Office
Air Force Research Laboratory



Purpose



- **Informational Briefing**
 - To review the results of the 2012 Contribution-based Compensation System (CCS) cycle.



Major Historical Events



- **1997 First year of Demo; first CCS cycle, shortened to 7 months**
- **1998 AFRL reorganization to single lab**
 - **Reduced from 21 pay pools to 11**
 - **Added AFRL Headquarters and AFOSR S&Es to Demo**
- **1999 High-grade control relief received in Nov 1999**
- **2000 New AFRL Commander and new AFRL Exec Director**
- **2002 Hanscom union employees (SN & VS) return to Title 5**
- **2003 New AFRL Exec Director**
- **2004 New AFRL Commander**
- **2006 New AFRL Commander**
- **2007 New AFRL Commander**
- **2008 Added 711th HPW pay pool and MSRC to HQ pay pool**
- **2009 Prepared for expansion beyond S&Es**
- **2010 New AFRL Commander; expansion beyond S&Es**
- **2011 New AFRL Commander; created Maui Police SPL**
- **2012 RZ/RB merger to RQ**



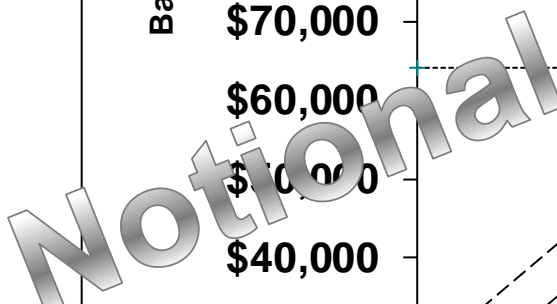
Outline



- **CCS Terminology**
- **CCS Objectives**
- **CCS Results**
 - **Demographics**
 - **Assessment Results**
 - **Compensation Adjustment**
 - **Broadband Movements**
- **Summary and Conclusions**



“G” = General Cost of Labor Increase (Set by Congress)
“I” = Incentive Increase (Set by AFRL Corporate Board)





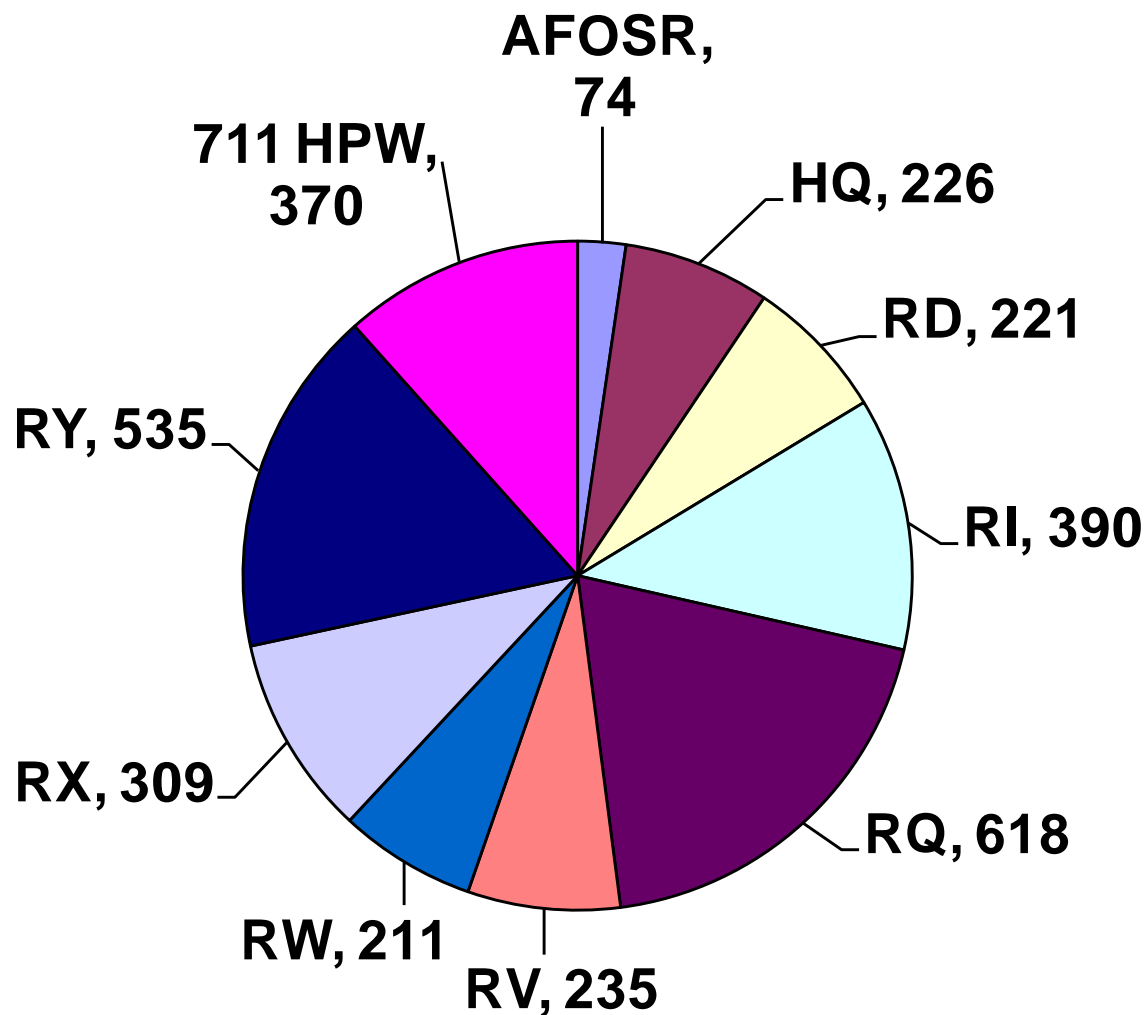
CCS Objectives



- **Primary Objective:**
Provide equitable compensation for all demo employees based upon their contribution to the organization's mission
- **While at the same time:**
 - **Providing for increased feedback**
 - **Providing incentives for increased contribution**
 - **Encouraging appropriate attrition and accession**
 - **Maintaining fiscal discipline**
 - **Providing increased flexibility to supervisors in managing their workforce**



2012 Employee Distribution by Pay Pool – Includes Expansion



All AFRL: 3,189

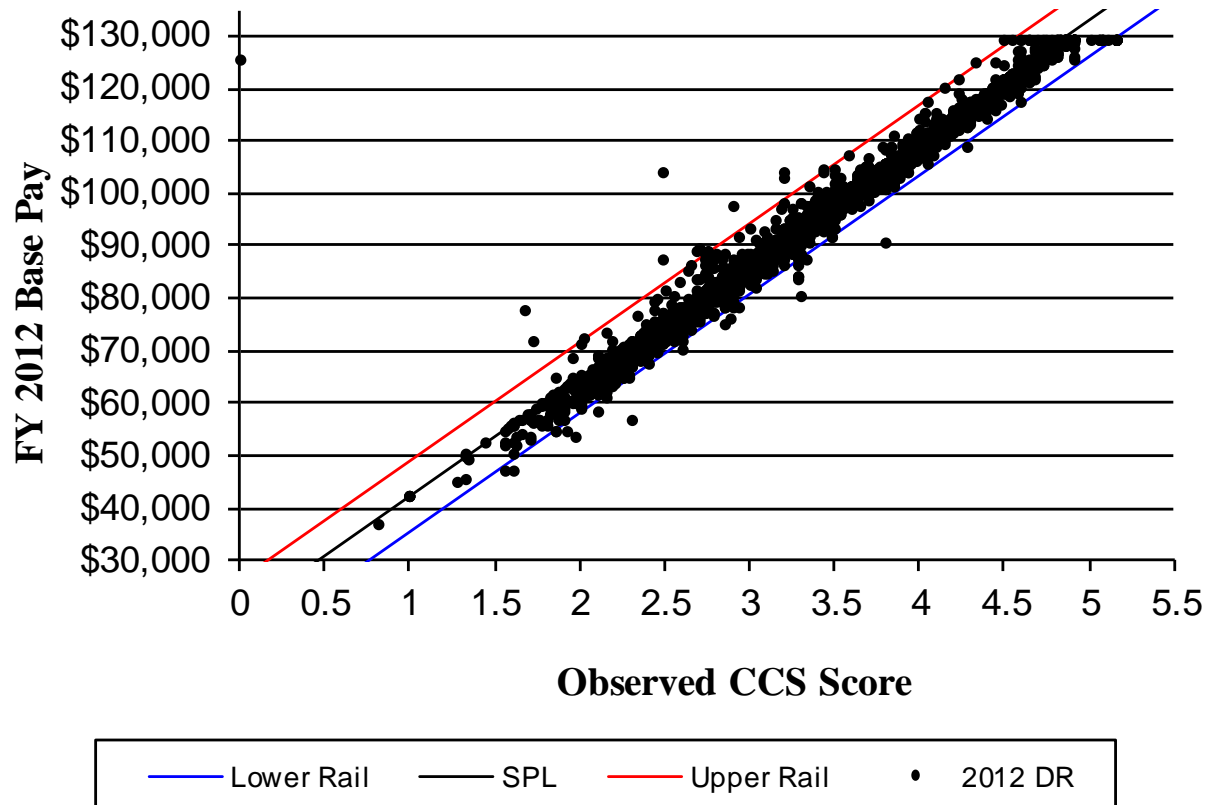


2012 CCS Results – DR Only



Population – 2,779

2012 Overall DR Plot



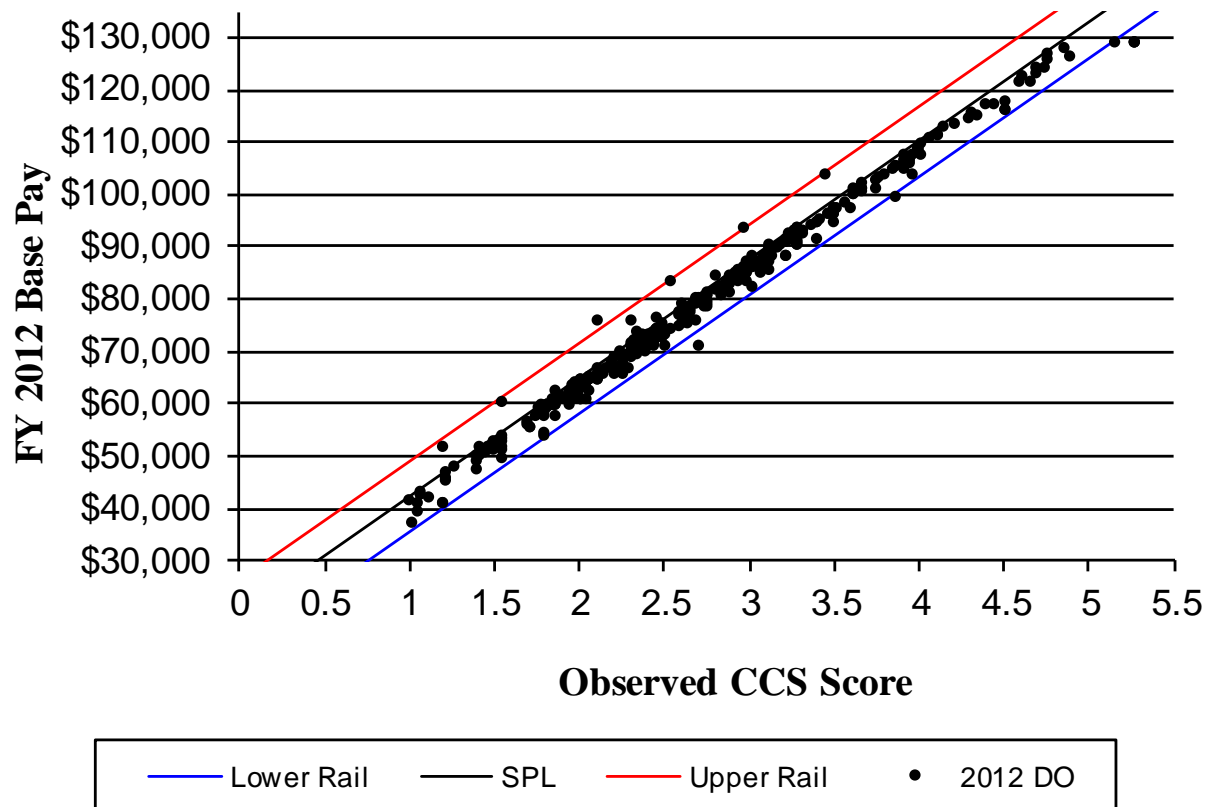


2012 CCS Results – DO Only



Population – 363

2012 Overall DO Plot





Summary of 2012 CCS Results



	DR	DO
1) Number of People	2779	363
2) Broadband Distribution (# and % in Bands I/II/III/IV)	156 / 964 / 1067 / 592 5.6% / 34.7% / 38.4% / 21.3%	70 / 213 / 60 / 20 19.3% / 58.7% / 16.5% / 5.5%
3) Band Dist, after Moves (# and % in Bands I/II/III/IV)	100 / 952 / 1096 / 631 3.6% / 34.3% / 39.4% / 22.7%	65 / 212 / 63 / 23 17.9% / 58.4% / 17.4% / 6.3%
4) Average Basic Pay	\$97,239	\$79,861
5) Overall Average OCS Score	3.48	2.72
6) Average OCS Scores by Band (I/II/III/IV)	1.91 / 2.75 / 3.75 / 4.59	1.64 / 2.61 / 3.68 / 4.73
7) Overall Average Delta OCS	0.06	0.06
8) Average Delta OCS Scores by Band (I/II/III/IV)	0.13 / 0.07 / 0.05 / 0.03	0.07 / 0.06 / 0.05 / 0.16
9) Std Dev of Delta OCS	0.13	0.08
10) Average OCS Growth	0.06	0.07
11) Zone Dist, before Payouts # and % in Zone (A/B/C/D)	15 / 218 / 2526 / 20 0.5% / 7.8% / 90.9% / 0.7%	2 / 12 / 344 / 5 0.6% / 3.3% / 94.8% / 1.4%
12) Zone Dist, after Payouts # and % in Zone (A/B/C/D)	15 / 218 / 2546 / 0 0.5% / 7.8% / 91.6% / 0.0%	2 / 12 / 346 / 3 0.6% / 3.3% / 95.3% / 0.8%
13) Average Factor Score vs OCS Score Correlation	0.987	0.992
14) Average Dollar Raise	\$1,449	\$1,481
15) Average % Raise	1.7%	2.0%
16) Maximum Dollar Raise	\$14,958	\$9,289
17) Maximum % Raise	25.7%	13.8%
18) # and Average Amount of CCS / BB4 Bonuses	116 / \$2,170	6 / \$5,761
19) Average Residual DeltaY per Person	\$112	\$137
20) # with "I" Raise > DeltaY	0	0

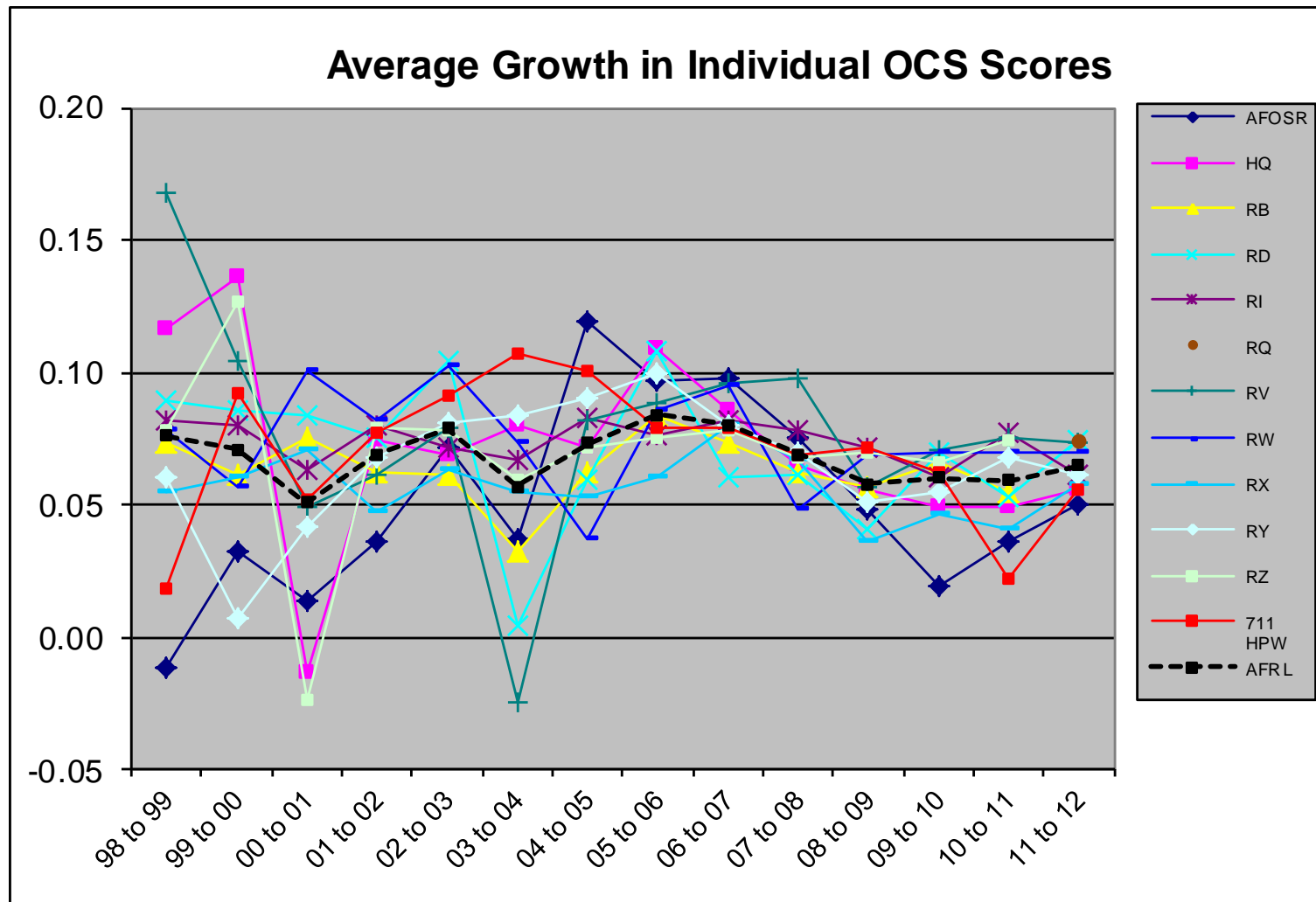


Assessment Results – All Payplans

Mean OCS Growth



AFRL Mean OCS Growth History	
1998-1999	0.08
1999-2000	0.07
2000-2001	0.05
2001-2002	0.07
2002-2003	0.08
2003-2004	0.06
2004-2005	0.07
2005-2006	0.08
2006-2007	0.08
2007-2008	0.07
2008-2009	0.06
2009-2010	0.06
2010-2011	0.06
2011-2012	0.07



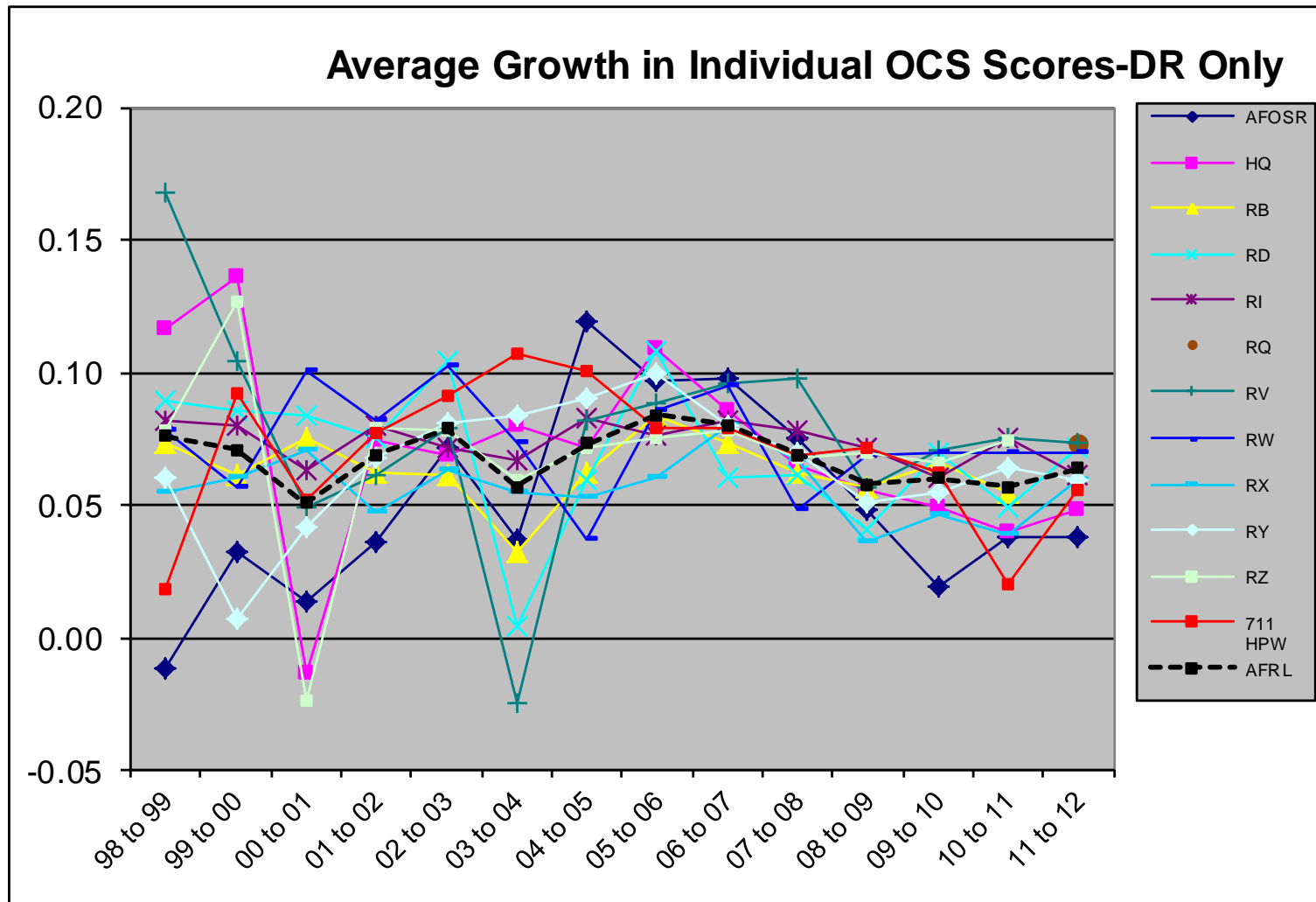


Assessment Results – DR Only

Mean OCS Growth



AFRL Mean OCS Growth History	
1998-1999	0.076
1999-2000	0.071
2000-2001	0.051
2001-2002	0.069
2002-2003	0.079
2003-2004	0.057
2004-2005	0.073
2005-2006	0.084
2006-2007	0.080
2007-2008	0.069
2008-2009	0.058
2009-2010	0.060
2010-2011	0.057
2011-2012	0.064



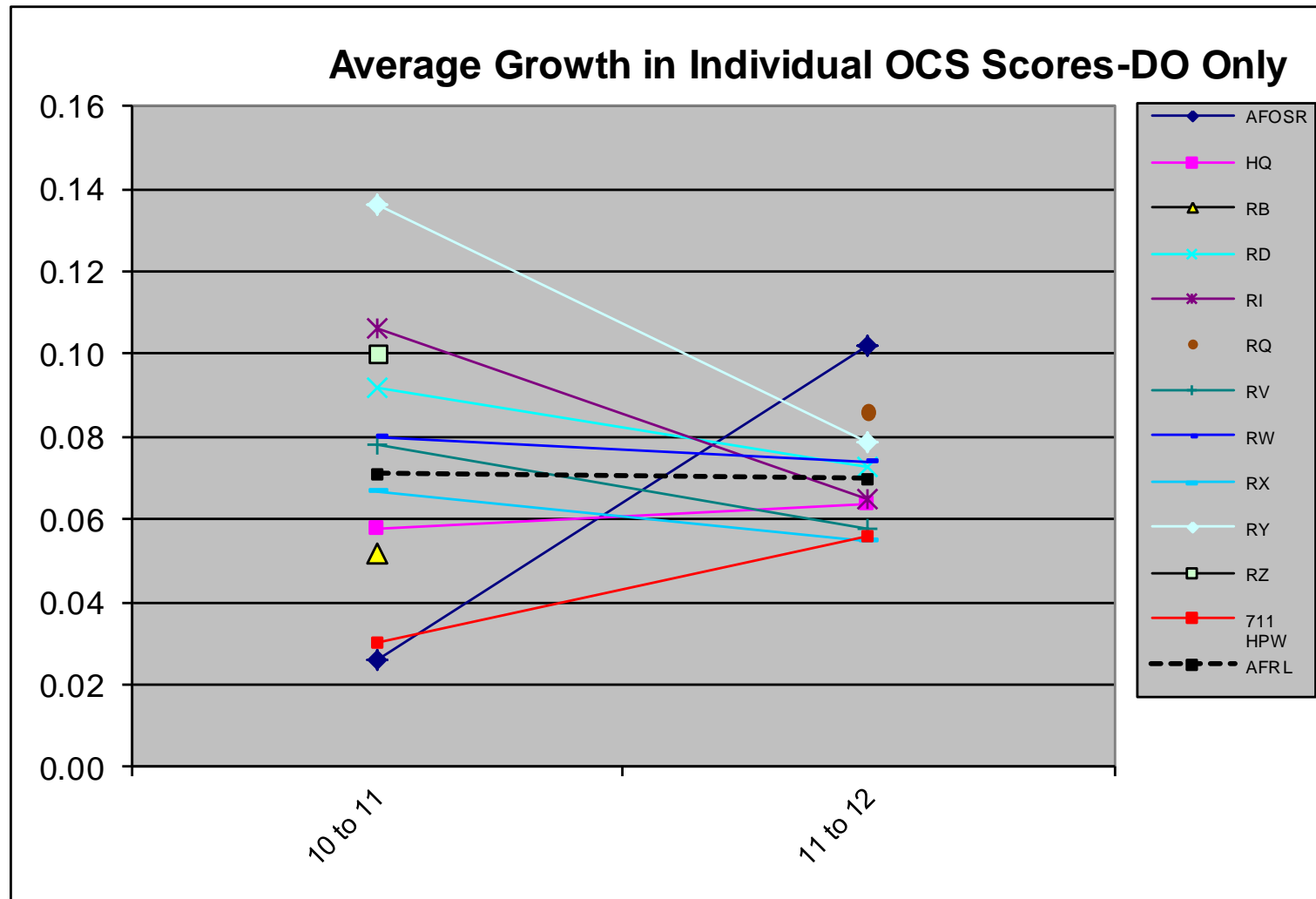


Assessment Results – DO Only

OCS Growth



AFRL Mean OCS	
2010-2011	0.071
2011-2012	0.070





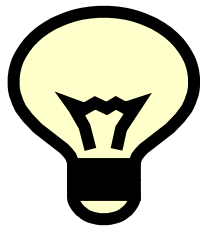
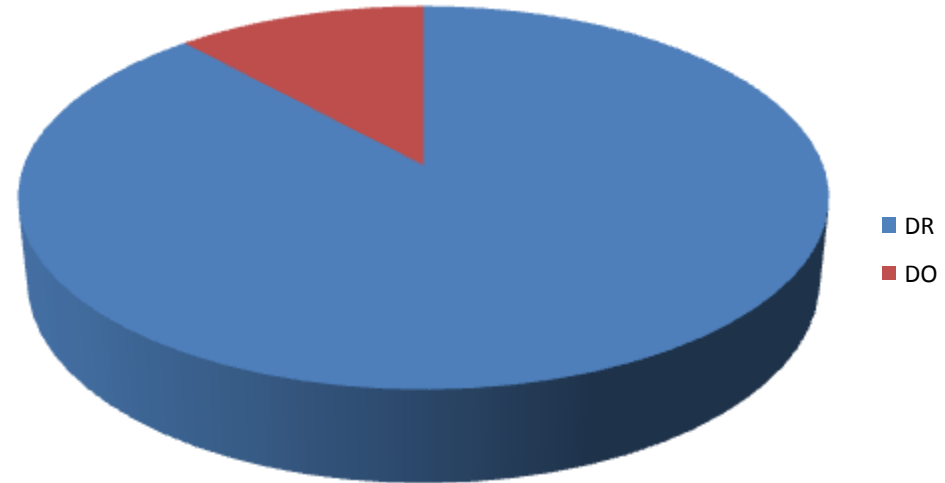
Assessment Results

2012 AAZ Details



- **Employees in AAZ:**
 - **15 DR**
 - 1 each: HQ, RD, RI
 - 2 each: RQ, RX, 711 HPW
 - 3 each: AFOSR, RY
 - **2 DO, 1 each: HQ, RI**
- **New to AAZ: 8 employees**

AAZ in 2012



The meeting of managers process provides the mutual group review and the support needed to deal with low contributors. It also encourages feedback to employees who need to improve.

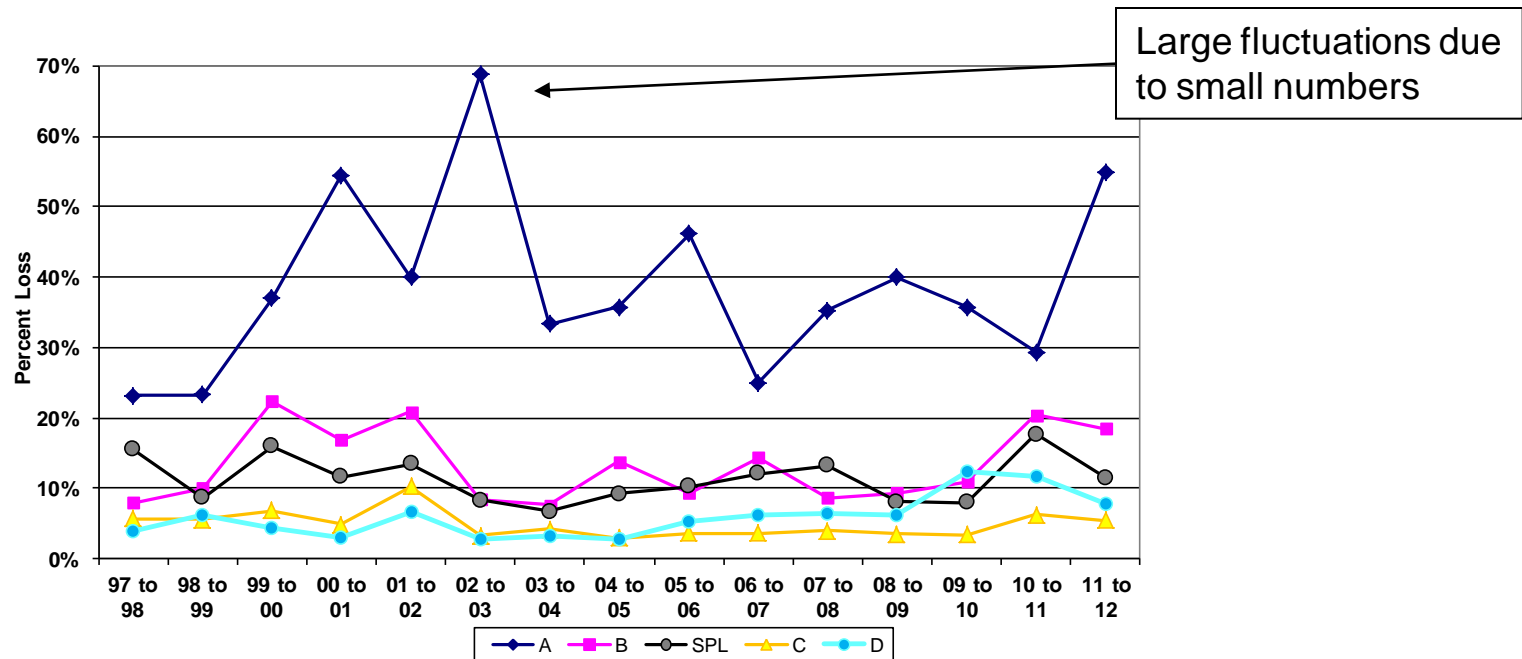


Assessment Results – All Payplans

Loss Rates by Rail Zone



Zone	Cycle														
	97 to 98	98 to 99	99 to 00	00 to 01	01 to 02	02 to 03	03 to 04	04 to 05	05 to 06	06 to 07	07 to 08	08 to 09	09 to 10	10 to 11	11 to 12
A	23%	23%	37%	55%	40%	69%	33%	36%	46%	25%	35%	40%	36%	29%	55%
B	8%	10%	22%	17%	21%	8%	8%	14%	9%	14%	9%	9%	11%	20%	18%
SPL	16%	9%	16%	12%	13%	8%	7%	9%	10%	12%	13%	8%	8%	18%	12%
C	6%	6%	7%	5%	10%	3%	4%	3%	4%	4%	4%	3%	3%	6%	6%
D	4%	6%	4%	3%	7%	3%	3%	3%	5%	6%	6%	6%	13%	12%	8%
Total	7%	7%	9%	6%	11%	5%	5%	5%	5%	5%	5%	5%	5%	9%	8%



Attrition rate among employees placed in the AAZ has always been much higher than in any other rail area.

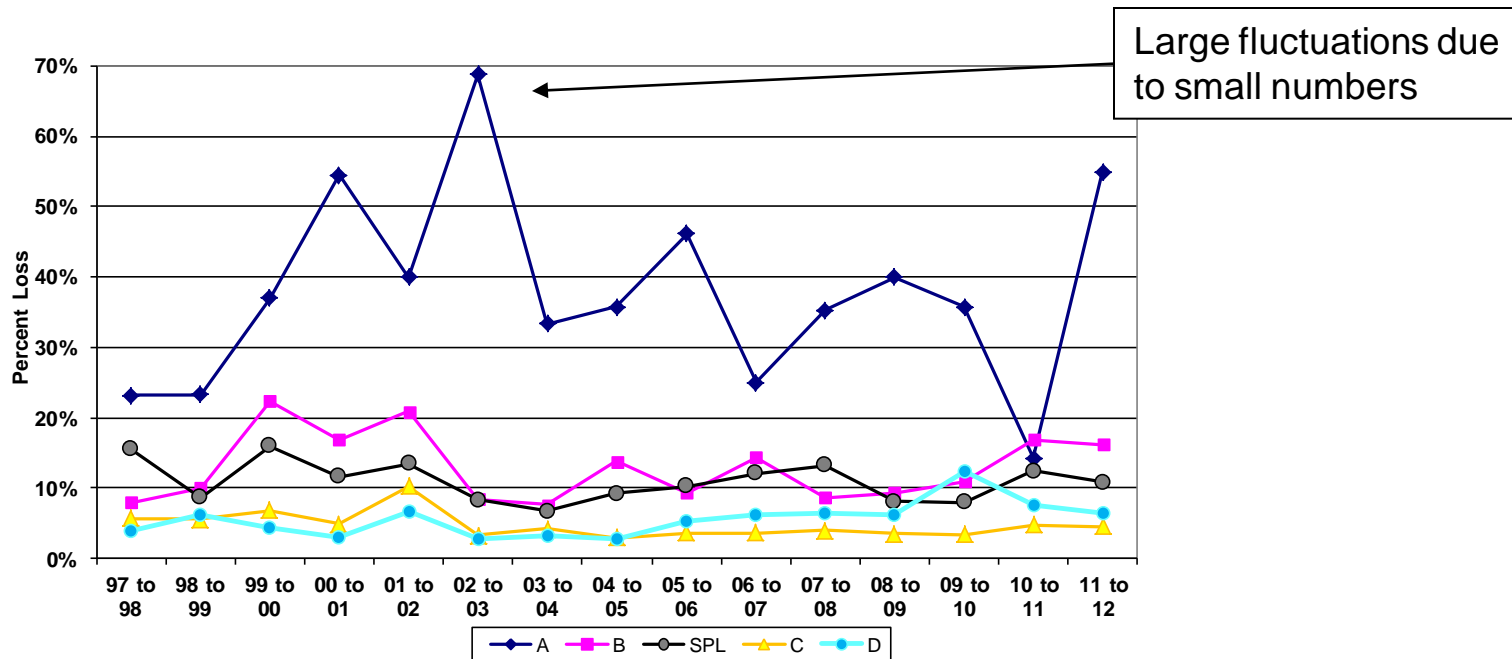


Assessment Results – DR Only

Loss Rates by Rail Zone



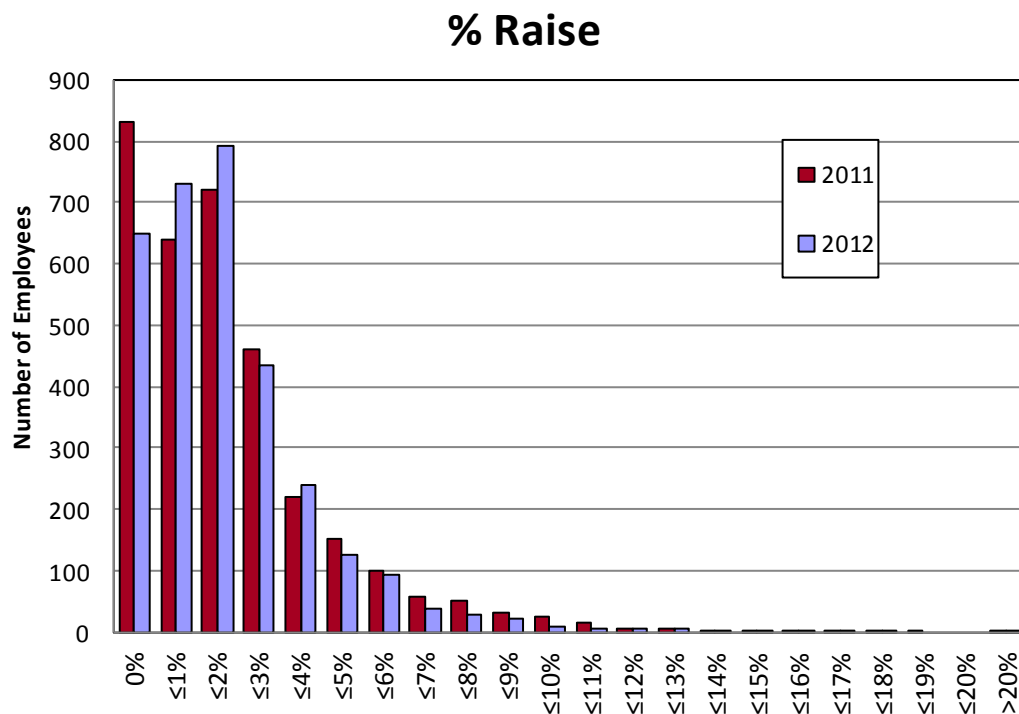
Zone	Cycle														
	97 to 98	98 to 99	99 to 00	00 to 01	01 to 02	02 to 03	03 to 04	04 to 05	05 to 06	06 to 07	07 to 08	08 to 09	09 to 10	10 to 11	11 to 12
A	23%	23%	37%	55%	40%	69%	33%	36%	46%	25%	35%	40%	36%	14%	55%
B	8%	10%	22%	17%	21%	8%	8%	14%	9%	14%	9%	9%	11%	17%	16%
SPL	16%	9%	16%	12%	13%	8%	7%	9%	10%	12%	13%	8%	8%	13%	11%
C	6%	6%	7%	5%	10%	3%	4%	3%	4%	4%	4%	3%	3%	5%	5%
D	4%	6%	4%	3%	7%	3%	3%	3%	5%	6%	6%	6%	13%	8%	6%
Total	7%	7%	9%	6%	11%	5%	5%	5%	5%	5%	5%	5%	5%	7%	7%



Attrition rate among employees placed in the AAZ has always been much higher than in any other rail area.



2011 and 2012 Cycle Total Base Salary Adjustments



	2011	2012
Max % Increase	23.5%	25.7%
Average % Increase	1.9%	1.7%
Max \$ Increase	\$13,747	\$14,958
Average \$ Increase	\$1,543	\$1,439

	2011	2012
Funding Levels		
"G"	0.0%	0.0%
"I"	1.9%	1.7%

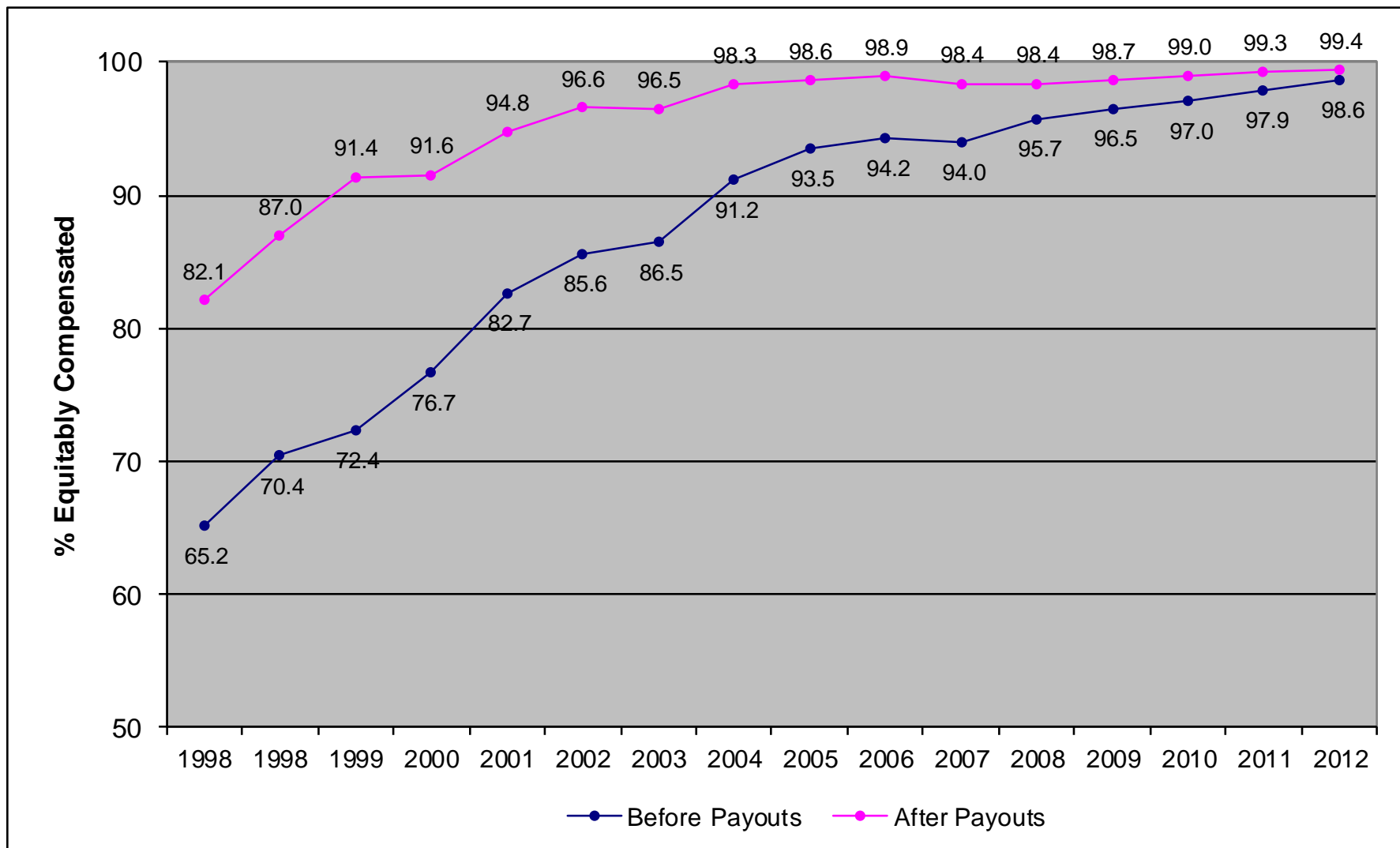


Management has a lot of pay adjustment flexibility, and they use it. Significant raises are given to the most under-compensated every year. Raises are withheld from the over-compensated.



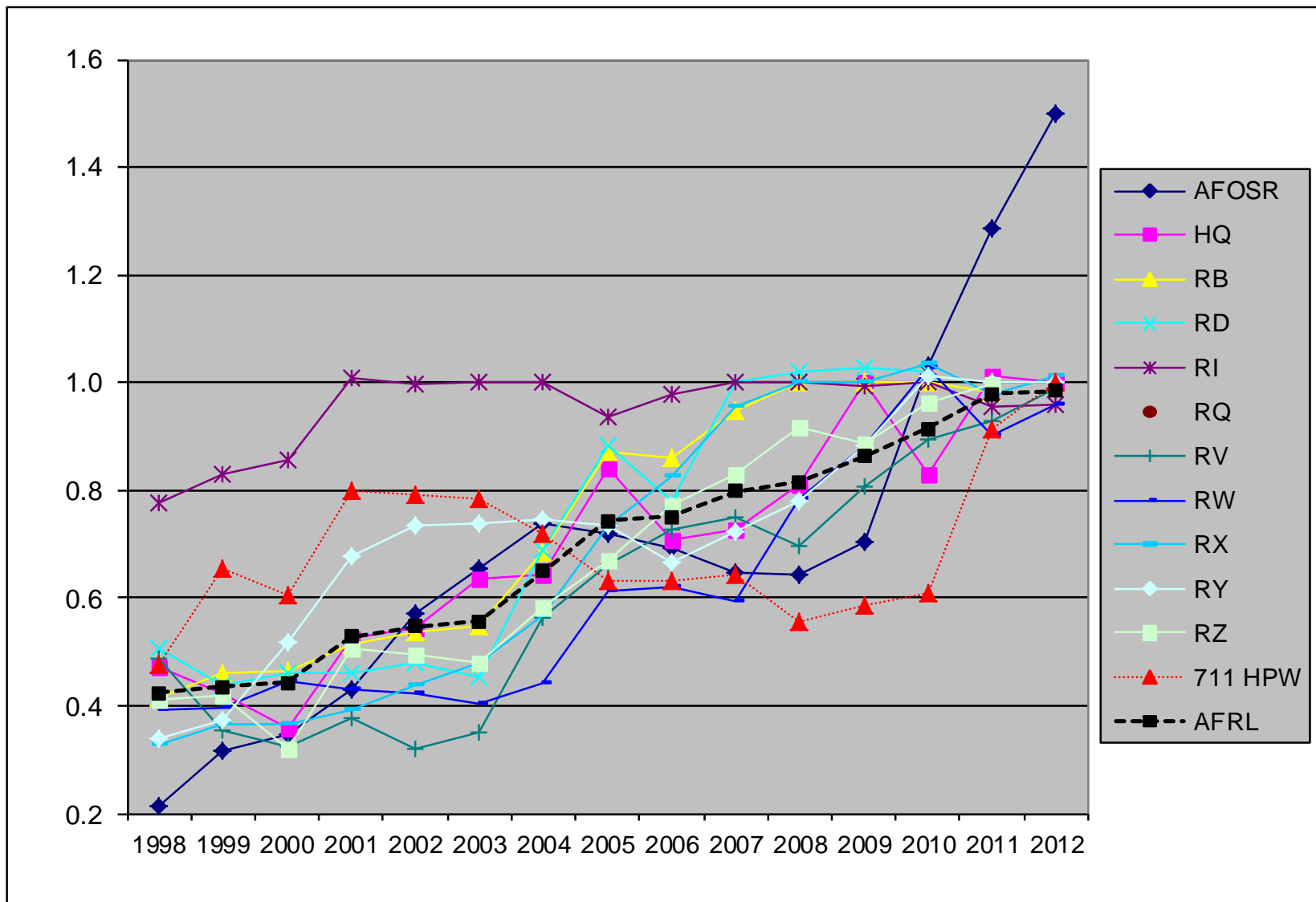
Compensation Adjustment Results

Percent Equitably Compensated





Compensation Adjustment Results Reporting Alpha by Pay Pool





2012 CCS Results



- **Broadband Movements**
 - **178 Upward broadband movements in 2012**
 - 42 (39 DR, 3 DO) to band IV, 75 (69 DR, 6 DO) to band III, and 61 (56 DR, 5 DO) to band II
 - **1 Downward broadband move (to band II) in 2012, first since 2007**
 - **154 Upward broadband movements in 2011**
 - 42 to band IV, 75 to band III, and 61 to band II
 - **No Downward broadband movement in 2011**
 - 2 Recommended but not approved



2012 CCS Results

1997 – 2012 Upward Band Movements

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Band I - II	3	1	8	6	18	15	14	18	57	47	66	45	50	47	49	61
Band II - III	35	76	239	198	139	131	119	108	91	98	95	64	43	46	59	75
Band III - IV	42	37	45	55	44	54	57	37	55	58	58	43	23	36	46	42
Totals	80	114	292	259	201	200	190	163	203	203	219	152	116	129	154	178

2012 Upward Band Movements by Pay Plan

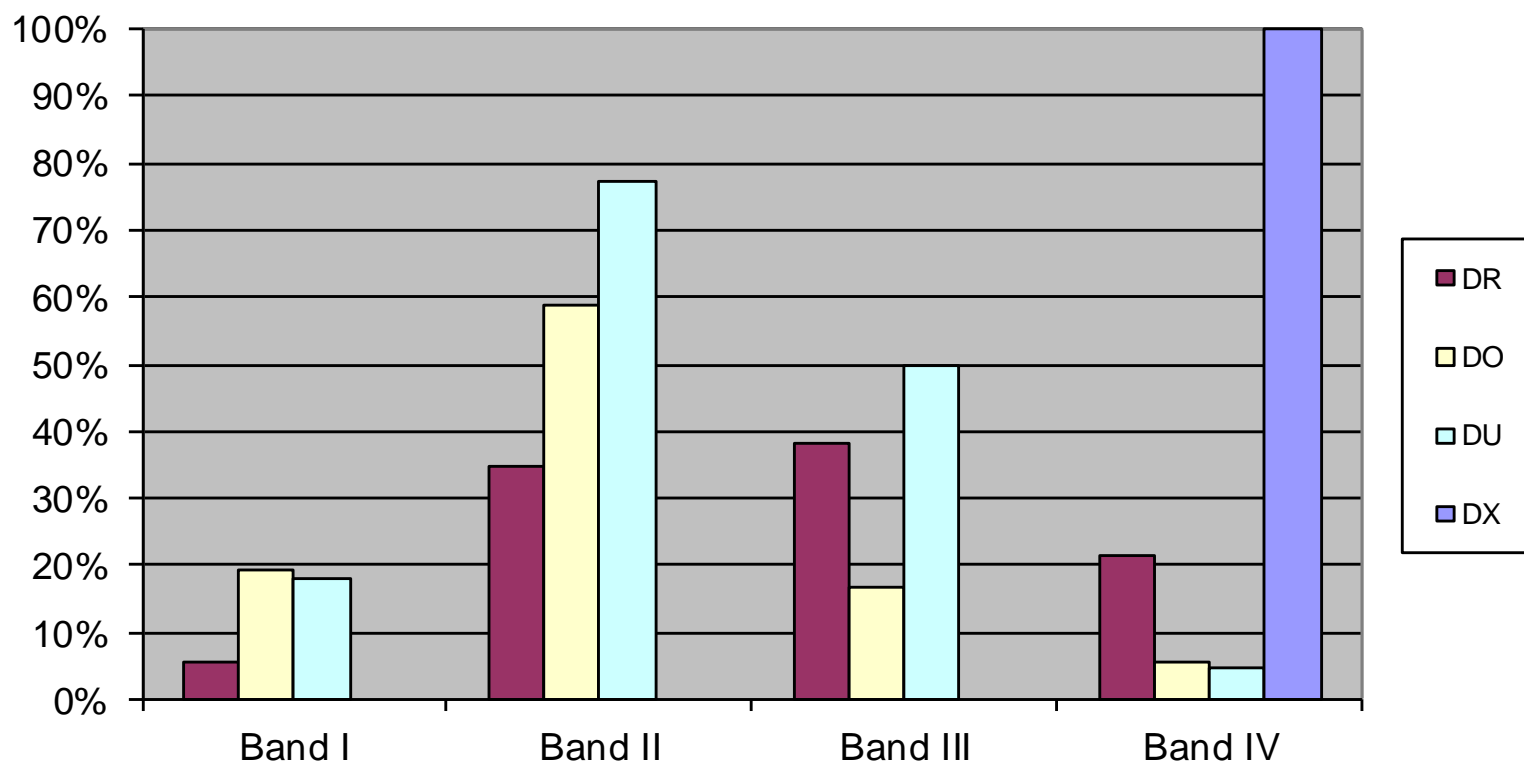
		DR		DO		DU		Total	
Band I	# Mandatory / # Moved	15	/ 15	2	/ 2	0	/ 0	17	/ 17
	# Recommended / # Moved	0	/ 0	0	/ 0	0	/ 0	-	/ 0
	# Eligible / # Moved	102	/ 41	28	/ 3	3	/ 0	133	/ 44
	Total Band I Movements	117	/ 56	30	/ 5	3	/ 0	150	/ 61
Band II	# Mandatory / # Moved	71	/ 67	6	/ 6	0	/ 0	77	/ 73
	# Recommended / # Moved	0	/ 0	0	/ 0	0	/ 0	-	/ 0
	# Eligible / # Moved	416	/ 2	82	/ 0	0	/ 0	498	/ 2
	Total Band II Movements	487	/ 69	88	/ 6	0	/ 0	575	/ 75
Band III	# Mandatory / # Moved	40	/ 39	2	/ 2	0	/ 0	42	/ 41
	# Recommended / # Moved	0	/ 0	0	/ 0	0	/ 0	-	/ 0
	# Eligible / # Moved	479	/ 0	25	/ 1	0	/ 0	504	/ 1
	Total Band III Movements	519	/ 39	27	/ 3	0	/ 0	546	/ 42
Total	# Mandatory / # Moved	126	/ 121	10	/ 10	0	/ 0	136	/ 131
	# Recommended / # Moved	0	/ 0	0	/ 0	0	/ 0	-	/ 0
	# Eligible / # Moved	997	/ 43	135	/ 4	3	/ 0	1,135	/ 47
	Total Band Movements	1,123	/ 164	145	/ 14	3	/ 0	1,271	/ 178



2012 CCS Results



2012 Band Distribution by % in Band

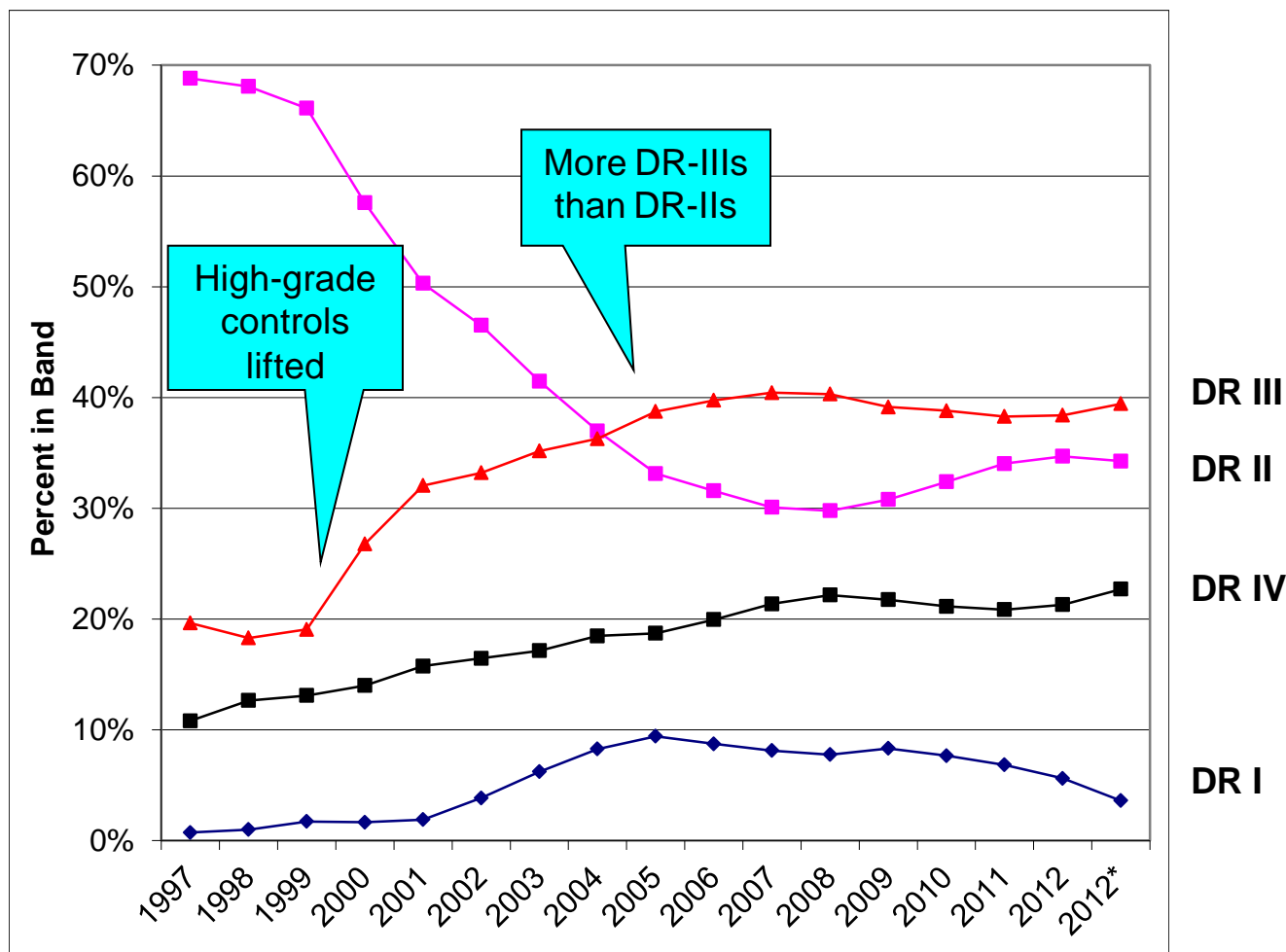




2012 CCS Results – DR Only



Broadband Distribution after 2012 Movements



2012* - after 2012 movements



Conclusion



- Average DR OCS increased to 3.48 after having been at 3.44 for last several years
- DR-IVs comprise 22.7% of DR workforce
 - Up from 21.3% prior to broadband moves
- DO-IVs comprise 6.3% of DO workforce
 - Up from 5.5% prior to broadband moves
- Average DR delta is slowly coming down
 - 0.11 in 2007
 - 0.06 in 2011 and 2012
- DR growth has remained constant for last four years
 - 0.06
- Alpha is probably where it should be
 - 0.985